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Congress of the United States House of Representatives Washington, DC 20515-3005

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PROBLEM SOLVERS CAUCUS

September 20, 2022

The Honorable Phil Murphy Governor, State of New Jersey Office of the Governor P.O. Box 001 Trenton, NJ 08625

Dear Governor Murphy:

As you are aware, the State of New Jersey appropriately assumed control of Andover Subacute and Rehabilitation II ("Andover Subacute"), also known as Woodland Behavioral and Nursing Center, because of its failures to protect its patients during the COVID-19 pandemic. The failed patient care at Andover Subacute was nothing short of egregious and heartbreaking.

While I fully support the decision by the state to assume management of this failing facility, Andover Subacute was, at one time, the largest nursing facility in the State of New Jersey. It accounts for a large share of the operating budget of Andover Township. Recently, according to the mayor of Andover, the owners of the property have ceased making tax payments to the Township, creating a devastating situation for the residents of Andover. This sudden revenue shortfall creates a major budget issue for the Township, causing the Township to end critical services like law enforcement to its residents.

In 2021, Congress passed the American Rescue Plan¹, which among other provisions, included Coronavirus State and Local Fiscal Recovery Funds (SLFRF) to deliver \$350 billion to state and local governments to support their responses to the COVID-19 public health emergency and help replace lost public sector revenue.² New Jersey received over 6 billion dollars in flexible aid from the SLFRF program. According to the U.S. Department of the Treasury's final rule, this program was intended to provide vital resources for state and local governments to respond to the pandemic and its economic effects, as well as replace revenue lost due to the public health

¹ Public Law 117-2, The American Rescue Plan Act of 2021, 117th Congress

² Coronavirus State & Local Fiscal Recovery Funds: Overview of the Final Rule, U.S. Department of the Treasury, January 2022.

emergency to prevent cuts to government services.³ Given this flexibility and the intent of the program, these American Rescue Plan funds could be allocated to respond to negative public health and economic impacts of COVID-19 such as those that have occured in Andover

Because of the potential dire consequences of Andover's shortfall on its public services, the use of American Rescue Plan funds is appropriate in this situation. I would respectfully request that the State of New Jersey utilize its American Rescue Plan funds or other applicable methods of state funding to help offset lost revenue for Andover Township. This shortfall was directly created by Andover Subacute's closure. This closure and its impact are direct results of the public health emergency, and thus, the residents of Andover should not have to experience a disruption of municipal services.

Sincerely,

Josh Gottheimer

Member of Congress

CC:

Mayor Thomas D. Walsh Jr. Andover Township Committee The Honorable Steven V. Oroho

³ Coronavirus State and Local Fiscal Recovery Funds Finale Rule, 31 CFR Part 35, Department of the Treasury (April 1, 2022).